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NEW ZEALAND EMBASSY
37 OBSERVATORY CIRCLE, NW,
WASHINGTON, D.C. 20008

Phone: (202) 328-4800
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12 May 1981

Dear Mr. Calingaert,

Enclosed for your information is a copy of the text of a statement released by our Minister of Overseas Trade, the Rt. Hon. B.E. Talboys yesterday afternoon (New Zealand time) following last week's disclosure of the Department of Agriculture's dairy export disposal proposals.

Yours sincerely,

A.C. Cranston
Minister (Commercial)

Encl.

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY _____ DATE 4/11/84
RDS ☐ or XDS ☐ EXT. DATE _____
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Mr. Michael Calingaert,
Deputy Assistant Secretary,
International Resources and Food Policy,
Department of State,
Room 3529,
Washington, D.C. 20520.

RELEASED 11 MAY 1981

U.S. BUTTER DISPOSALS

"THE NEW ZEALAND GOVERNMENT IS AWARE OF UNITED STATES PROPOSALS TO DISPOSE OF SUBSTANTIAL QUANTITIES OF BUTTER IN THE INTERNATIONAL MARKET AND HAS MADE THE STRONGEST REPRESENTATIONS ON THE IMPLICATIONS OF THESE PROPOSED SALES," THE MINISTER OF OVERSEAS TRADE, MR. TALBOYS, SAID TODAY.

"THE NEW ZEALAND GOVERNMENT HAS SOUGHT TO PERSUADE THE UNITED STATES ADMINISTRATION TO FIND OUTLETS FOR THE STOCKS WITHIN THE UNITED STATES. THE INTERNATIONAL MARKET FOR BUTTER IS VERY LIMITED. ANY PROPOSED SALES FROM A NON-TRADITIONAL EXPORTER SUCH AS THE UNITED STATES, PARTICULARLY WHEN LARGE QUANTITIES OF BUTTER MAY BE INVOLVED COULD VERY WELL HAVE A HIGHLY DISRUPTIVE EFFECT ON THE TRADE OF TRADITIONAL SUPPLIERS" SAID MR. TALBOYS.

THESE AND OTHER POINTS HAVE BEEN REGISTERED WITH THE UNITED STATES GOVERNMENT AND WE KNOW THEY ARE CONSIDERING OUR POSITION ON THE NEED FOR A VERY CAREFUL APPROACH TO ANY DISPOSAL PROGRAMME" SAID MR. TALBOYS.

THE MINISTER WENT ON TO SAY THAT THE EXTENSIVE SURPLUSES OF DAIRY PRODUCTS IN THE UNITED STATES IS THE DIRECT RESULT OF THE HIGH LEVEL OF THE UNITED STATES DAIRY PRICE SUPPORT PROGRAMMES. "THE DANGER OF SUCH HIGH SUPPORT PRICE POLICIES HAS BEEN POINTED OUT TO THE UNITED STATES ADMINISTRATION ON MANY OCCASIONS," SAID MR. TALBOYS.